

MAY 4, 1999

EXTENSION OF REMARKS U.S. REPRESENTATIVE JAN SCHAKOWSKY (D-IL)

THE COMMUNITY REINVESTMENT ACT MAKING AMERICA STRONGER

Mr. Speaker: Today, the Leadership Conference on Civil Rights sent a clear and loud message to Congress stop the attack on the Community Reinvestment Act (CRA). Enough is enough.

I wholeheartedly agree.

The Leadership Conference on Civil Rights is an impressive coalition of more than 180 national organizations, representing people of color, women, children, labor unions, persons with disabilities, older Americans, major religious groups, gays and lesbians and civil liberties and human rights groups. In a collective voice, the Leadership Conference on Civil Rights, once more, made it known to those who stubbornly want to believe otherwise, that the Community Reinvestment Act is a success.

Since its enactment in 1977, financial institutions have made more than \$1 trillion in loans in low-income communities. More than ninety percent of these loans came in the past seven years. As a result, neighborhoods have prospered, communities have flourished, small businesses have succeeded and the quality of life for many has improved.

Today's Washington Post wrote, "Since 1977 federally insured banks have been subject to the Community Reinvestment Act, requiring them to seek business opportunities in poor areas as well as middle-class and wealthy neighborhoods. The law, a response originally to clear evidence of bias in lending, has worked well. It doesn't force banks to make unprofitable loans, but it encourages them to look beyond traditional customers, and it's had a beneficial effect on home ownership and small-business lending."

Many banks share this view. John B. McCoy, President and CEO of one of the largest and profitable banks in the nation, Bank One, testified before the House Banking Committee on February 10 that his bank is "working effectively and successfully with CRA."

However, there are those in Congress who are attempting to undermine the success of the Community Reinvestment Act, either by refusing to expand it or calling for its outright end.

I hope that my colleagues were listening today. The Community Reinvestment Act is a wise investment with a sure return. I applaud the efforts the Leadership Conference on Civil Rights and join in their crusade to protect and expand the Community Reinvestment

Act.